DOCUMENT RESUME

ED 392 894 CE 070 998

AUTHOR Imel, Susan
TITLE Older Workers. Myths and Realities.
INSTITUTION ERIC Clearinghouse on Adult, Career, and Vocational Education, Columbus, Ohio.
SPONS AGENCY Office of Educational Research and Improvement (ED), Washington, DC.
PUB DATE 96
CONTRACT RR93002001
NOTE 4p.
PUB TYPE Information Analyses - ERIC Clearinghouse Products (071)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Adult Education; *Age Discrimination; *Aging (Individuals); Educational Discrimination; *Employer Attitudes; *Employment Practices; Equal Opportunities (Jobs); *Job Performance; Middle Aged Adults; Older Adults; Personnel Policy; *Retraining
IDENTIFIERS *Older Workers

ABSTRACT

An increasing proportion of the work force is aging at the same time that the workplace is changing in ways that are detrimental to older workers. Attitudes and beliefs about older workers appear to be ambivalent. Studies show that employers and managers stereotype older workers as loyal and possessing good work habits but inflexible and difficult to train. The relationship between age and job performance is complex and far from understood. Much research on aging and work performance has not included a detailed analysis of contextual factors--such as opportunities for retraining--that provide a link between individual changes and work performance. No basis exists for the stereotypes surrounding the ability of older adults to learn new skills. The more critical issue related to training for older workers is lack of access. Older workers do not fear change; they fear discrimination. Ageism, resulting in a grey ceiling that denies older workers equal opportunity and equitable treatment, appears to be a serious issue in the workplace. The most significant barriers and deterrents are managerial biases that older workers are too costly, too inflexible, and too difficult to train. Biases can be overcome through providing companies with more information about the relationship between older workers' assimilation of job-related training and their learning style and a better understanding of older adults' responses to new technology. (Contains 13 references.) (YLB)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED 392 894

Older Workers
Myths and Realities

Susan Imel

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)
☐ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

ERIC Clearinghouse on Adult, Career, and Vocational Education
Center on Education and Training for Employment
College of Education
The Ohio State University
1900 Kenny Road
Columbus, OH 43210-1090

BEST COPY AVAILABLE

CE070998

Myths and **REALITIES**

by Susan Imel *1996*

CELEBRATING 30 YEARS 1966-1996

ERIC

Clearinghouse on Adult, Career, and Vocational Education

Older Workers

The aging of the U.S. population is affecting the demographics of the work force. Between 2000 and 2010, the age group experiencing the greatest growth will be those aged 55-64; by 2005, people aged 55 and over are projected to be nearly 20% of the working age population, compared to 12.5% in 1990 (Barber, Crouch, and Merker 1992; Barth, McNaught, and Rizzi 1993). For a number of reasons, including financial need, longer life expectancy, and a desire to continue working, the number of individuals aged 55 and over in the work force is continuing to grow (Hall and Mirvis 1994). It is no longer unusual for individuals to retire from one job, begin drawing a pension, and seek new employment: since 1984, both the full- and part-time work of "retired" men younger than age 65 has increased noticeably (Herz 1995).

At the same time that the number of older persons available for and willing to work is increasing, the workplace is changing as businesses seek to become more competitive. The most notable changes include downsizing, increased use of technology, and less-hierarchical work structures that use teams. As a result of technological changes and greater dependence on teams, training and retraining are hallmarks of today's workplace. Older workers have not fared particularly well during these changes. During the downsizing that took place from 1986 through 1991, proportionately more older workers were laid off, and, at the expense of retraining existing employees—especially older workers—firms spend more on training new entrants (Hall and Mirvis 1994). Kantor (1994) refers to the aging work force as a "mixed blessing [because] many companies associate it not with a loyal, experienced workforce knowledgeable about its employers' businesses but with . . . uncertain returns from 'experience' in light of pressures for innovation and change" (p. 7).

Thus a paradox exists: an increasing proportion of the U.S. work force is aging at the same time the workplace is changing in ways that have been detrimental for older workers. By examining some of the myths and realities associated with older workers, this publication explores whether perceptions that have led to adverse treatment of older workers are accurate.

Attitudes and Beliefs: A Catch 22

Attitudes and beliefs about older workers have been characterized as "ambivalent" (Barth, McNaught, and Rizzi 1993, p. 162) and "mixed" (American Association for Retired Persons [AARP] 1995, p. 19), that is, older workers are viewed as having both positive and negative attributes. Several studies (AARP/Society for Human Resource Professionals [SHRM] 1993; AARP 1995; Barth, McNaught and Rizzi 1993; Hassell and Perrewe 1995) reveal that, when compared to younger workers, older workers are viewed positively on a number of traits including low absenteeism, low turnover, work attitudes and motivation, job skills, and loyalty.

These same studies also report conflicting findings that are not as positive for older workers. For example, in Hassell and Perrewe's study (1995), respondents believed that older workers have fewer accidents, whereas the 1995 AARP study showed that managers rated older workers below average on avoidance of workplace injury. Barth, McNaught, and Rizzi's research (1993) revealed that, when it comes to older workers, managers are concerned about health care costs, their flexibility in accepting new assignments, and their suitability for retraining. Managers interviewed for the 1995 AARP study were more likely to rate older workers as weak on flexibility, acceptance of new technology, and ability to learn new skills, all traits considered desirable for the changing workplace.

The contradictory attitudes displayed toward older workers may be attributed in part to managers themselves. In a study of the effect of age on performance evaluation and promotion, Siegel (1993) found no significant difference between supervisors' performance evaluation for older managers compared to similar groups of younger mangers. However, older managers were less likely to be promoted. Hassell and Perrewe (1995) found that, compared to younger supervisors, older supervisors are more negative in their beliefs about older workers, and based on his review of research, McNaught (1994) concluded that managers almost always underestimate the productivity of older workers. According to McNaught, "employers [and managers] were seen as stereotyping [older workers] as loyal and possessing good work habits, but inflexible and difficult to train" (p. 229).

Aging, Work Performance, and Learning: The Real Story

Does aging affect work performance and the ability to learn new skills? According to Czaja (1995), "the relationship between age and job performance is complex and far from understood" (p. 57) because much of the available data are unreliable. For example, studies that rely on supervisors' ratings of performance may be questionable, if the rater has negative attitudes about older workers (e.g., Hassell and Perrewe 1995; Siegel 1993). Czaja also points out that much of the research on aging and work performance has not included a detailed analysis of contextual factors—such as opportunities for retraining—that provide a link between individual changes and work performance.

The issue of training is twofold. The first part has to do with older workers' ability to learn new skills. No basis exists for the stereotypes surrounding the ability of older adults to learn new skills. (See Rothstein and Ratte 1990 for an extensive review of research on the effects of aging on training.) "When companies tailor programs to the age, knowledge, and experience of older workers, training proves just as effective as and no more expensive than it does for younger workers" (Carnevale and Stone 1994, p. 122). The more critical issue related to training for older workers is lack of access (AARP 1995; Barth, McNaught, and Rizzi 1994; Carnevale and Stone 1994;

Hall and Mirvis 1993). Older workers are not treated comparably to younger workers in gaining access to training. Nearly 34% of the managers in Barth, McNaught, and Rizzi's study (1993) reported that their companies spend very little money training older workers, compared to only 21% who spend very little on training workers under age 35. Hall and Mirvis (1993) suggest that employers are investing in underprepared labor force entrants at the expense of older workers.

Given the appropriate opportunity, older workers are quite capable of learning new skills and achieving high productivity. McNaught (1994) cites examples of three companies that have used older workers successfully. Days Inn employs older workers as reservations agents. When compared to younger workers, older workers fare very well: their training takes no longer, they have lower turnover rates, and they are more likely to complete a call with a successful reservation. B & Q, a chain of English do-it-yourself stores, was encountering problems staffing its stores with entry-level workers so it opened a new store staffed only with older workers. Not only has the store experienced increased work force stability (i.e., compared to comparable stores, 6 times less employee turnover and 40% less absenteeism) and improved customer relations, it has been 18 times as profitable as other similar stores in the chain. Travelers Insurance Company began by using retirees to staff the company hotline. When that endeavor proved successful, it began a retiree job bank to facilitate placement of retirees on a part-time basis throughout the company. In 1989, the company realized a cost savings of over $1 million by operating its own job bank, compared to hiring through temporary agencies.

The Grey Ceiling: Real or Imagined?

Older workers don't fear change, they fear discrimination (Carnevale and Stone 1994). Ageism, resulting in a grey ceiling that denies older workers equal opportunity and equitable treatment, appears to be a serious issue in the workplace (Siegel 1993). Among the barriers and deterrents faced by older workers, the following is most significant: managerial biases that they are too costly, too inflexible, and too difficult to train resulting in a lack of access to training that would enable them to maintain their productivity and value (AARP 1995; Hall and Mirvis 1994). Unfavorable corporate policies toward older workers result from—

- Negative attitudes and stereotypes that are more significant than reported. Although managers report fairly positive attitudes toward older workers, corporate policies do not match their words.
- A lack of influence or clout. Older workers are still a small proportion of the work force population and, unlike women and minorities, they have not organized. They also do not receive attention in the media and human resource publications.
- Serving as scapegoats of corporate cost containment. Companies have used existing prejudices and stereotypes to justify their decisions regarding layoffs, access to training, and so forth (Barth, McNaught, and Rizzi 1993; Hall and Mirvis 1994).

Conclusion

How can biases against older workers be overcome? Most companies lack data related to employment costs (including productivity) of older workers (AARP 1995). To offset concerns that older employees will affect the ability of businesses to compete, more information is needed. For example, more knowledge about the relationship between older workers' assimilation of job-related training and their learning style might explain why they sometimes take longer to learn. Also, because it is not clear how technology will affect the work life of older adults, a better understanding is needed of their responses to it, including answers to the following questions: Are older workers more resistant to accepting new technology? Do they have more difficulty assimilating technology oriented training? and Under what circumstances do they respond well to new technology? (AARP 1995; Czaja 1995). Kantor (1994) suggests viewing the aging work force from both an organizational and human perspective: the organizational perspective is needed to understand how older workers may affect competitiveness, whereas the human perspective should be concerned about their rights to economic self-sufficiency and psychological well being.

References

American Association of Retired Persons. ***Valuing Older Workers: A Study of Costs and Productivity***. Washington, DC: AARP, [1995].

American Association of Retired Persons and Society of Human Resource Managers. ***The Older Workforce: Recruitment and Retention***. Washington, DC: AARP, 1993.

Barber, G. M.; Crouch, R. T.; and Merker, S. L. "Implications of an Aging Labor Force for Human Development Resource Development Policy." ***Educational Gerontology*** 18, no. 1 (January-February 1992): 99-110.

Barth, M. C.; McNaught, W.; and Rizzi, P. "Corporations and the Aging Workforce." In ***Building the Competitive Workforce: Investing in Human Capital for Corporate Success***, edited by P. H. Mirvis. New York: Wiley, 1993.

Carnevale, A. P., and Stone, S. C. "Developing the New Competitive Workforce." In ***Aging and Competition: Rebuilding the U.S. Workforce***, edited by J. A. Auerbach and J. C. Welsh. Washington, DC: National Council on the Aging and National Planning Associates, 1994.

Czaja, S. J. "Aging and Work Performance." ***Review of Public Personnel Administration*** 15, no. 2 (Spring 1995): 46-61.

Hall, D. T., and Mirvis, P. H. "The New Workplace and Older Workers." In ***Aging and Competition: Rebuilding the U.S. Workforce***, edited by J. A. Auerbach and J. C. Welsh. Washington, DC: National Council on the Aging and National Planning Associates, 1994.

Hassell, B. L., and Perrewe, P. L. "An Examination of Beliefs about Older Workers: Do Stereotypes Still Exist?" ***Journal of Organizational Behavior*** 16, no. 5 (September 1995): 457-468.

Herz, D. "Work after Early Retirement: An Increasing Trend among Men." ***Monthly Labor Review*** 118, no. 4 (April 1995): 13-20.

Kantor, R. M. "U.S. Competitiveness and the Aging Workforce: Toward Organizational and Institutional Change." In ***Aging and Competition: Rebuilding the U.S. Workforce***, edited by J. A. Auerbach and J. C. Welsh. Washington, DC: National Council on the Aging and National Planning Associates, 1994.

McNaught, W. "Realizing the Potential: Some Examples." In ***Age and Structural Lag***, edited by M. W. Riley, R. L. Hahn, and A. Foner. New York: Wiley, 1994.

Rothstein, F. R., and Ratte, D. J. ***Training and Older Workers: Implications for U.S. Competitiveness***. Washington, DC: Office of Technology Assessment, 1990. (ED 336 608).

Siegel, S. R. "Relationships between Current Performance and Likelihood of Promotion for Old versus Young Workers." ***Human Resource Development Quarterly*** 4, no. 1 (Spring 1993): 39-50.

Developed with funding from the Office of Educational Research and Improvement, U.S. Department of Education, under Contract No. RR93002001. Opinions expressed do not necessarily reflect the position or policies of OERI or the Department. ***Myths and Realities*** may be freely reproduced.

CENTER ON EDUCATION AND TRAINING FOR EMPLOYMENT
THE OHIO STATE UNIVERSITY
1900 KENNY ROAD • COLUMBUS, OHIO 43210